

(17) **Calculation of computer software value.** The following formulas shall be used for determining the percent taxable calculation of computer software used by centrally assessed utilities.

(a) For the purpose of determining the numerator of the percent taxable calculation, the historic cost less depreciation of all taxable Washington property shall be computed by adjusting the historic cost less depreciation of property capitalized in the company's records as follows:

(i) Add the acquisition cost of expensed canned software acquired in the year preceding the assessment date; and

(ii) Add 50% of the acquisition cost of expensed canned software acquired in the second year preceding the assessment date; and

(iii) Subtract 50% of the historic cost less depreciation of capitalized canned software acquired in the second year preceding the assessment date; and

(iv) Subtract the historic cost less depreciation of capitalized canned software acquired in years prior to the second year preceding the assessment date; and

(v) Subtract the historic cost less depreciation of capitalized custom software.

(b) For the purpose of determining the denominator of the percent taxable calculation, the historic cost less depreciation of all Washington property shall be computed by adding the acquisition cost of expensed canned and custom software in use on the assessment date to the historic cost less depreciation of Washington property capitalized in the company's records.

(c) The historic cost less depreciation of all taxable Washington property (calculated as set forth in subsection (a) above) shall be divided by the historic cost less depreciation of all Washington property (calculated as set forth in subsection (b) above) to arrive at the percent taxable calculation.

(d) The portion of the unit value allocated to Washington state shall be multiplied by the percent taxable calculated as set forth in subsection (c) above to determine the Washington taxable property value.

(18) Exemptions.

(a) All custom software, except embedded software, shall be exempt from property taxation;

(b) Retained rights of the computer software developer, author, inventor, publisher, distributor, licensor or sublicensor are exempt from property taxation;

(c) Modifications to canned software shall be exempt from property taxation as custom software; however, the underlying canned software shall retain its identity as canned software and shall be valued as prescribed in subsection (11) of this rule;

(d) Master or golden copies of computer software are exempt from property taxation;

(e) The taxpayer is responsible for maintaining and providing records sufficient to support any claim of exemption for either canned or custom software.

[Statutory Authority: RCW 84.08.010 and 1991 c 29. 92-01-132, § 458-50-085, filed 12/19/91, effective 1/19/92.]

**Title 460 WAC
SECURITIES DIVISION
(DEPARTMENT OF LICENSING)**

Chapters

460-11A	Multijurisdictional disclosure system.
460-16A	General rules.
460-17A	Uniform limited offering registration.
460-31A	Real estate programs exceeding five million dollars.
460-34A	Oil and gas programs.
460-36A	Real estate investment trusts.
460-42A	Exempt securities.
460-46A	Corporate limited offering exemption.
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Chapter 460-11A WAC

MULTIJURISDICTIONAL DISCLOSURE SYSTEM

WAC

460-11A-010	Multijurisdictional disclosure system.
460-11A-020	Time for taking effect of multijurisdictional registration statement.
460-11A-030	Multijurisdictional offering financial statements.
460-11A-040	Multijurisdictional offering notice of claim of exemption under RCW 21.20.320(11).

WAC 460-11A-010 Multijurisdictional disclosure system. The rules set forth in this chapter accommodate offerings in compliance with the multijurisdictional disclosure system as set forth in United States Securities and Exchange Commission Release No. 33-6902 (1991). For the purposes of this chapter, a "multijurisdictional offering" means a class of offering for which a registration statement designated as Form F-7, F-8, F-80, F-9, or F-10 by the Securities and Exchange Commission has been filed with the administrator.

[Statutory Authority: RCW 21.20.450 and 21.20.240. 91-18-014, § 460-11A-010, filed 8/26/91, effective 9/26/91.]

WAC 460-11A-020 Time for taking effect of multijurisdictional registration statement. The period of time under RCW 21.20.190(2) a registration statement must be on file before it becomes automatically effective shall be reduced from ten full business days to seven full business days for a multijurisdictional offering.

[Statutory Authority: RCW 21.20.450 and 21.20.240. 91-18-014, § 460-11A-020, filed 8/26/91, effective 9/26/91.]

WAC 460-11A-030 Multijurisdictional offering financial statements. A multijurisdictional offering registration statement may include, to the extent allowed by the Securities and Exchange Commission, financial statements and financial information that have been prepared in accordance with Canadian generally accepted accounting principles consistently applied.

[Statutory Authority: RCW 21.20.450 and 21.20.240. 91-18-014, § 460-11A-030, filed 8/26/91, effective 9/26/91.]

WAC 460-11A-040 Multijurisdictional offering notice of claim of exemption under RCW 21.20.320(11). An issuer or underwriter conducting a multijurisdictional offering to existing security holders of the issuer pursuant to the exemption of RCW 21.20.320 (11)(b) may give notice to the director by filing the registration statement Form F-7 with a cover letter claiming that exemption.

[Statutory Authority: RCW 21.20.450 and 21.20.240. 91-18-014, § 460-11A-040, filed 8/26/91, effective 9/26/91.]

**Chapter 460-16A WAC
GENERAL RULES**

WAC

- 460-16A-102 Definitions applicable to promotional shares.
- 460-16A-200 Debt offering standards.
- 460-16A-205 Adoption of NASAA statements of policy.

WAC 460-16A-102 Definitions applicable to promotional shares. As used in WAC 460-16A-101 through 460-16A-106, the terms listed below shall have the following meanings:

(1) An "affiliate" means a person that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified herein.

(2) The term "control" means the direct or indirect possession of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(3) The term "earnings per share" means after-tax earnings per share as computed according to generally accepted accounting principles before extraordinary items.

(4) "Equity security" means any common stock, preferred stock, or similar security; or any instrument convertible, with or without consideration, into such a security, or carrying a warrant, option or right to subscribe to or purchase such a security; or any such warrant, option or right.

(5) "Person" means any individual, corporation, partnership, trust or other legal entity, or any unincorporated association or organization and includes the following: (a) Any relative, spouse, or relative of the spouse of the specified person; (b) any trust or estate in which the specified person or any of the persons specified in (a) of this subsection collectively own five percent or more of the total beneficial interest or of which any of such persons serve as trustee, executor, or in any similar capacity; and (c) any corporation or other organization (other than the issuer corporation) in which the specified person or any of the persons specified in (a) of this subsection are the beneficial owners collectively of five percent or more of any class of equity securities or five percent or more of the equity interest.

(6) The term "promoter" means: (a) Any person who, acting alone or in conjunction with one or more persons, directly or indirectly, takes the initiative in founding and organizing the business or enterprise of a corporation;

(b) any person who, in connection with the founding or organizing of the business or enterprise of a corporation, directly or indirectly, receives in consideration of services or property or both services and property, five percent or more of any class of equity security of the corporation or five percent or more of the proceeds from the sale of any class of equity security of the corporation: *Provided, however,* That a person who receives such securities or proceeds solely as underwriting commissions shall not be deemed a promoter within the meaning of this clause if such person does not otherwise take part in founding and organizing the enterprise; (c) any person who is an officer, director, or who beneficially owns, directly or indirectly, more than five percent of any class of equity security of corporation, excluding any unaffiliated institutional investor that purchased its shares more than one year prior to the filing date of the proposed offering; (d) any person who is an affiliate of a person specified under (a), (b), or (c) of this subsection.

(7) The term "promotional or development stage corporation" means a corporation which has no public market for its shares and has no significant earnings.

(8) "Promotional shares" are equity securities which were issued within the last three years, or are to be issued, to promoters for a consideration of less than eighty-five percent of the proposed public offering price. Such securities which were, or are to be, issued for services rendered, patents, copyrights or other intangibles are presumed to be promotional shares unless the value of such intangibles has been established to the satisfaction of the administrator. (See Note #1)

Example: Calculation of number of promotional shares

	Shares	Total Price per Share
Shares held by promoters	100	\$ 1.00
Public offering price per share		10.00
Total paid by promoter		\$100
Public offering price per share x .85 =	\$10 x .85 =	11.77
		Fully Paid Shares
Shares held by promoters	100	
Fully paid shares		- 12*
Number of promotional shares (Subject to escrow)	88	

*Rounded

Note #1. In determining the consideration paid or the value of property under subsection (8) of this section, the administrator may disallow as consideration any property, including patents, copyrights, or goodwill, unless and to the extent that the value is established to the administrator's satisfaction. Consideration for shares of stock may include the market value of such assets if the market value can be determined by recognized standards of valuation acceptable to the administrator, and may also include out-of-pocket development or marketing expenses (excluding promoters' salaries) paid by promoters to the extent such expenses are not reimbursed by the corporation.

(9) "Public market" is meant to exclude thin markets which do not result in reliable prices. If doubt is raised as to the reliability of the market for an applicant's

shares, the administrator may consider the market history, the public trading volume, the spread between the bid and asked prices, the number of market makers, public float, the pricing formula, and other relevant factors.

(10) "Significant earnings" shall be deemed to exist if the corporation's earnings record over the last five years (or the shorter period of its existence) demonstrates that it would have met either of the earnings tests set forth in WAC 460-16A-105(1) based upon its shares outstanding immediately before the proposed public offering capitalized at the proposed public offering price. However, such earnings tests shall not be deemed exclusive for the determination of significant earnings.

(11) An "unaffiliated institutional investor" means any unaffiliated bank; investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2 (a)(48) of the Investment Company Act of 1940; small business investment company licensed by the United States Small Business Administration under section 301 of the Small Business Investment Act of 1958; employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974; insurance company; private business development company as defined in section 202 (a)(22) of the Investment Advisors Act of 1940 or comparable business entity engaged as a substantial part of its business in the purchase and sale of securities and which owns less than twenty percent of the securities to be outstanding at the completion of the proposed public offering.

[Statutory Authority: RCW 21.20.450. 91-04-008, § 460-16A-102, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.250 and 21.20.450. 88-03-015 (Order SDO-164A-87), § 460-16A-102, filed 1/11/88.]

WAC 460-16A-200 Debt offering standards. (1) Debt securities may be offered and sold only if the issuer shows a reasonable ability to service the debt.

(2) For purposes of this section, unless otherwise allowed by the administrator, "reasonable ability to service the debt" means:

(a) The issuer must have a positive net worth and not be in the development stage; and

(b) The issuer must demonstrate, based upon the results of its operations for its most recently ended fiscal year and for its latest interim period as reflected in its financial statements, a pro forma earnings to fixed-charges ratio of 1 to 1 or greater.

(3) For purposes of this section:

(a) "Earnings" shall mean pretax income from continuing operations plus fixed charges as defined in (b) of this subsection, adjusted to exclude any interest capitalized during the period.

(b) "Fixed charges" shall mean the total of (i) interest, whether expensed or capitalized, (ii) amortization of debt expense and discount or premium relating to indebtedness, whether expensed or capitalized, and (iii) such portion of rental expense as can be demonstrated to be representative of the interest factor in the particular case.

(c) The pro forma earnings to fixed charges ratio shall be calculated by adjusting the corresponding historical ratio to give effect to the net increase or decrease in interest expense resulting from (i) the proposed issuance of new debt, and (ii) the corresponding retirements of any debt presently outstanding (but only for the period of time outstanding) which will be retired with the proceeds of the proposed offering. If only a portion of the proceeds will be used to retire presently outstanding debt, then only a related portion of interest should be used in the pro forma adjustment.

(d) An issuer may elect to use the definitions of "earnings," "fixed charges," and the method for determining the ratio of earnings to fixed charges set forth in Item 503 of Securities and Exchange Commission Regulation S-K to determine whether that issuer meets the requirement of subsection (2)(b) of this section.

[Statutory Authority: RCW 21.20.450. 91-04-008, § 460-16A-200, filed 1/25/91, effective 2/25/91.]

WAC 460-16A-205 Adoption of NASAA statements of policy. (1) The administrator adopts the following NASAA Statements of Policy:

(a) Registration of Publicly Offered Cattle Feeding Programs, as adopted September 17, 1980;

(b) Registration of Commodity Pool Programs, as adopted September 21, 1983;

(c) Equipment Programs, as amended April 22, 1988;

(d) Registration of Oil and Gas Programs, as amended September 14, 1989;

(e) Real Estate Investment Trusts, as adopted October 2, 1985; and

(f) Real Estate Programs, as amended September 14, 1989.

(2) A program falling within one of the Statements of Policy listed in subsection (1) of this section must conform its offering of securities to the requirements of said Statement of Policy except that real estate programs not exceeding five million dollars may elect to comply with chapter 460-32A WAC.

(3) The Statements of Policy referred to in subsection (1) of this section are found in *CCH NASAA Reports* published by Commerce Clearing House. Copies are also available at the office of the securities administrator.

[Statutory Authority: RCW 21.20.450. 91-04-008, § 460-16A-205, filed 1/25/91, effective 2/25/91.]

Chapter 460-17A WAC

UNIFORM LIMITED OFFERING REGISTRATION

WAC

460-17A-030 Availability.

460-17A-070 Application of chapter 460-16A WAC to registrations under this chapter.

WAC 460-17A-030 Availability. (1) ULOR-C is intended to allow small corporations to conduct limited offerings of securities. ULOR-C uses a simplified offering format designed to provide adequate disclosure to investors concerning the issuer, the securities offered, and the offering itself. Certain issuers may not be able

to make adequate disclosure using the ULOR-C format and will, therefore, be unable to utilize ULOR-C. The administrator finds that ULOR-C is generally unsuitable for the following issuers and programs and that, therefore, they will not be allowed to utilize ULOR-C unless written permission is obtained from the administrator based upon a showing that adequate disclosure can be made to investors using the ULOR-C format:

(a) Holding companies, companies whose principal purpose is owning stock in, or supervising the management of, other companies;

(b) Portfolio companies, such as a real estate investment trusts as defined in Section (1)(q) of the North American Securities Administrators Association's Statement of Policy regarding real estate investment trusts as adopted by the administrator in WAC 460-16A-205 (1)(e);

(c) Issuers with complex capital structures;

(d) Commodity pools;

(e) Equipment leasing programs; and

(f) Real estate programs.

(2) These rules are available only to the issuer of the securities and not to any affiliate of that issuer or to any other person for resale of the issuer's securities. In addition, each of the following requirements must be met:

(a) The issuer must be a corporation organized under the laws of one of the states or possessions of the United States.

(b) The issuer must engage in a business other than petroleum exploration or production or mining or other extractive industries.

(c) The offering is not a "blind pool" or other offering for which the specific business to be engaged in or property to be acquired by the issuer cannot be specified.

(d) The offering price for common stock (and the exercise price, if the securities offered are options, warrants or rights for common stock, and the conversion price if the securities are convertible into common stock) must be equal to or greater than \$5.00 per share.

(e) The aggregate offering price of the securities offered (within or outside this state) shall not exceed \$1,000,000 less the aggregate offering price of all securities sold within the twelve months before the start of and during the offering of the securities under Securities and Exchange Commission Rule 504 in reliance on any exemption under section 3(b) of the Securities Act of 1933, in reliance on the exemption under section 3(a)(11) of that act, or in violation of section 5(a) of that act.

(3) ULOR-C registration is not available to investment companies subject to the Investment Company Act of 1940, nor is it available to issuers subject to the reporting requirements of section 13 or section 15(d) of the Securities Exchange Act of 1934.

[Statutory Authority: RCW 21.20.450, 91-04-009, § 460-17A-030, filed 1/25/91, effective 2/25/91; 88-17-012 (Order SDO-048-88), § 460-17A-030, filed 8/8/88.]

WAC 460-17A-070 Application of chapter 460-16A WAC to registrations under this chapter. The provisions of chapter 460-16A WAC shall not apply to registrations under this chapter except:

(1) The promotional shares rules contained in WAC 460-16A-101 through 460-16A-109 shall apply except that:

(a) Promotional shares need be escrowed pursuant to WAC 460-16A-104 only to the extent that such shares exceed sixty percent of the shares to be outstanding upon the completion of the offering; and

(b) WAC 460-16A-103 shall not apply;

(2) The impound provisions of WAC 460-16A-150 through 460-16A-175 shall apply;

(3) WAC 460-16A-035 shall apply;

(4) WAC 460-16A-075 shall apply except that for offerings with an aggregate offering price of under \$500,000 selling expenses which do not exceed twenty percent of the offering price will be considered reasonable so long as total compensation paid to any underwriter does not exceed fifteen percent;

(5) WAC 460-16A-200 shall apply;

(6) The administrator reserves the right to apply chapter 460-16A WAC (or any provision therein) to offerings under this chapter if the administrator determines that such application, even in the small business offering context, is necessary for the protection of investors.

[Statutory Authority: RCW 21.20.450, 91-04-009, § 460-17A-070, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.210, 21.20.240, 21.20.250 and 21.20.450, 88-17-012 (Order SDO-048-88), § 460-17A-070, filed 8/8/88.]

Chapter 460-31A WAC

REAL ESTATE PROGRAMS EXCEEDING FIVE MILLION DOLLARS

WAC

460-31A-410 through 460-31A-730 Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

460-31A-410 Application. [Statutory Authority: RCW 21.20.450, 83-23-087 (Order SDO-215-83), § 460-31A-410, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

460-31A-415 Definitions. [Statutory Authority: RCW 21.20.450, 83-23-087 (Order SDO-215-83), § 460-31A-415, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

460-31A-420 Experience of sponsor. [Statutory Authority: RCW 21.20.450, 83-23-087 (Order SDO-215-83), § 460-31A-420, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

460-31A-425 Net worth of sponsor. [Statutory Authority: RCW 21.20.450, 83-23-087 (Order SDO-215-83), § 460-31A-425, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

460-31A-430 Reports to administrator. [Statutory Authority: RCW 21.20.450, 83-23-087 (Order SDO-215-83), § 460-31A-430, filed 11/21/83.] Repealed by 91-04-012,

- filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-435 Liability of sponsor. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-435, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-440 Suitability standards for the participants. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-440, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-445 Sales to appropriate persons. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-445, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-450 Maintenance of record of suitability. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-450, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-455 Minimum investment of participant. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-455, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-460 Fees, compensation and expenses. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-460, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-465 Organization and offering expenses. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-465, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-470 Investment in properties. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-470, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-475 Program management fee. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-475, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-480 Promotional interest. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-480, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-485 Real estate commissions on resale. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-485, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-490 Property management fee. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-490, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-495 Insurance services. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-495, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-500 Sales, leases, loans, and related programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-500, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-505 Exchange of limited partnership interests. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-505, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-510 Exclusive agreement. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-510, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-515 Sales commissions on reinvestment or distribution. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-515, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-520 Expenses of the program. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-520, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-525 Reimbursement of costs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-525, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-530 Other services by sponsor. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-530, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-535 Rebates, kickbacks and reciprocal arrangements. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-535, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-540 Commingling. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-540, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-545 Investments in other programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-545, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-550 Lending practices. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-550, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-555 Development or construction contract. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-555, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-560 Completion bond requirements. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-560, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-565 Requirement for real property appraisal. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-565, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-570 Nonspecified property programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-570, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-575 Minimum capitalization. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-575, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

- 460-31A-580 Experience of sponsor. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-580, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-585 Statement of investment objectives. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-585, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-590 Period of offering and expenditure of proceeds. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-590, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-595 Special reports. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-595, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-600 Assessments. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-600, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-605 Multiple programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-605, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-610 Rights and obligations of participants—Meetings. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-610, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-615 Voting rights of limited partners. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-615, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-620 Reports to holders of limited partnership interests. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-620, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-625 Access to records. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-625, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-630 Admission of participants. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-630, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-635 Redemption of program interests. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-635, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-640 Transferability of program interests. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-640, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-645 Assessments and defaults. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-645, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-650 Sales literature. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-650, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-655 Group meetings. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-655, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-660 Contents of prospectus. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-660, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-665 Use of forecasts. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-665, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-670 Forecasts for specified property programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-670, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-675 Realistic forecasts. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-675, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-680 Material information. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-680, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-685 Presentation of forecasts. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-685, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-690 Additional disclosures and limitations. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-690, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-695 Forecasts for unimproved property programs. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-695, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-700 Fiduciary duty. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-700, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-705 Deferred payments. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-705, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-710 Reserves. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-710, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-715 Reinvestment of cash flow and proceeds on disposition of property. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-715, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-720 Financial information required on application. [Statutory Authority: RCW 21.20.180(8) and 21.20.210(14). 83-23-087 (Order SDO-215-83), § 460-31A-720, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-31A-725 Opinions of counsel. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-

31A-725, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

460-31A-730 Provisions of the partnership agreement. [Statutory Authority: RCW 21.20.450. 83-23-087 (Order SDO-215-83), § 460-31A-730, filed 11/21/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

WAC 460-31A-410 through 460-31A-730 Repealed. See Disposition Table at beginning of this chapter.

Chapter 460-34A WAC OIL AND GAS PROGRAMS

WAC

460-34A-010 through 460-34A-200 Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

460-34A-010	Application. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-010, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-055	Farm-outs. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-055, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-015	Definitions. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-015, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-060	Rights and obligations of participants. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-060, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-020	Net worth, experience and investment requirements of sponsor. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-020, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-065	Assessability and defaults. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-065, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-025	Participants suitability standards. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-025, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-070	Voting rights of limited partners. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-070, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-030	Minimum investment. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-030, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-075	Minimum program capital. [Statutory Authority: RCW 21.20.250 and 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-075, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-035	Fees, compensation and expenses. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-035, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-080	Temporary investment of proceeds. [Statutory Authority: RCW 21.20.250 and 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-080, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-037	Organization and offering expenses, and management fees. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-037, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-085	Return of unused proceeds. [Statutory Authority: RCW 21.20.250 and 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-085, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-040	Promotional compensation. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-040, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-090	Deferred payments. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-090, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-045	Program expenses. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-045, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.	460-34A-095	Cash redemption values. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-095, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
460-34A-050	Transactions with affiliates. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-050, filed 9/14/83.] Repealed by 91-04-	460-34A-100	Future exchange. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-100, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
		460-34A-105	Reinvestment of revenues. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-105, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
		460-34A-110	Distribution of revenues. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-110, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
		460-34A-112	Selling of units. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-112, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
		460-34A-115	Sales materials and marketing restrictions. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-115, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
		460-34A-120	Contents of the prospectus. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-120, filed 9/14/83.] Repealed by 91-04-

- 012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-34A-125 Financial information required on applications. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-125, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-34A-130 Opinions of counsel. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-130, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-34A-135 Liability and indemnification. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-135, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-34A-200 Regulation B filings. [Statutory Authority: RCW 21.20.450. 83-19-035 (Order SDO-181-83), § 460-34A-200, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

WAC 460-34A-010 through 460-34A-200 Repealed. See Disposition Table at beginning of this chapter.

Chapter 460-36A WAC REAL ESTATE INVESTMENT TRUSTS

WAC

460-36A-100 through 460-36A-195 Repealed.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 460-36A-100 Definitions of terms. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-100, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-105 Fairness of REIT offerings. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-105, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-110 Trustees. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-110, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-115 Investment policy. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-115, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-120 Liability of shareholders. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-120, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-125 Reports and meetings. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-125, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-130 Special meetings. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-130, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-135 Inspection of records. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-135, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-140 Distributions. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-140, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-145 Change in declaration of trust. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-145, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-150 Termination of REIT. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-150, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-155 Advisory contract. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-155, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-160 Adviser compensation. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-160, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-165 Total expenses. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-165, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-170 Leverage. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-170, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-175 Minimum capital. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-175, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-180 Appraisal. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-180, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-185 Indemnification. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-185, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-190 Other limitations. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-190, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.
- 460-36A-195 Implementation. [Statutory Authority: RCW 21.20.450. 83-19-036 (Order SDO-180-83), § 460-36A-195, filed 9/14/83.] Repealed by 91-04-012, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450.

WAC 460-36A-100 through 460-36A-195 Repealed. See Disposition Table at beginning of this chapter.

Chapter 460-42A WAC EXEMPT SECURITIES

WAC

460-42A-081 Exchange and national market system exemption.

WAC 460-42A-081 Exchange and national market system exemption. (1) Any securities listed or designated, or approved for listing or designation upon notice of issuance, on the New York Stock Exchange, the American Stock Exchange, the NASDAQ/NMS interdealer quotation system, or the Chicago Board Options Exchange, any other security of the same issuer which is of senior or substantially equal rank, any security called for by subscription rights or warrants so listed or approved, or any warrant or right to purchase or subscribe to any of the foregoing is exempt under RCW 21.20.310(8). The administrator may by order withdraw this exemption as to an exchange or interdealer quotation system or a particular security when necessary in the public interest for the protection of investors.

(2) For the purposes of nonissuer transactions only, any security listed or approved for listing upon notice of issuance on the NASDAQ/NMS interdealer quotation system, the New York Stock Exchange, the American Stock Exchange, the Midwest Stock Exchange, the Spokane Stock Exchange, the Chicago Board Options Exchange, or any other stock exchange registered with the federal securities and exchange commission and approved by the director; any other security of the same issuer which is of senior or substantially equal rank; any security called for by subscription rights or warrants so listed or approved; or any warrant or right to purchase or subscribe to any of the foregoing, is exempted under RCW 21.20.310(8).

[Statutory Authority: RCW 21.20.310(8) and 21.20.450. 91-04-010, § 460-42A-081, filed 1/25/91, effective 2/25/91; 89-21-032 (Order SDO-161-89), § 460-42A-081, filed 10/11/89, effective 11/11/89; 82-18-037 (Order SDO-100-82), § 460-42A-081, filed 8/27/82.]

Chapter 460-46A WAC

CORPORATE LIMITED OFFERING EXEMPTION

WAC

460-46A-020	Availability of exemption.
460-46A-040	Maximum number of purchasers under exemption.
460-46A-050	Promotional shares.
460-46A-055	Voting rights of common stock.
460-46A-061	Availability of corporate limited offering exemption for debt offerings—Debt service requirements.
460-46A-065	Availability of corporate limited offering exemption for debt offerings not meeting the debt service requirements of WAC 460-46A-060.
460-46A-071	Availability of corporate limited offering exemption for offerings of preferred stock.
460-46A-072	Prohibited practices with regard to preferred stock.
460-46A-095	Price of shares.
460-46A-110	Monies to be deposited in escrow account—Period of escrow and of offering.

WAC 460-46A-020 Availability of exemption. (1) The corporate limited offering exemption (CLOE) is intended to allow small businesses to conduct limited offerings of securities. CLOE uses a simplified offering format designed to provide adequate disclosure to investors concerning the issuer, the securities offered, and the offering itself. Certain issuers may not be able to make adequate disclosure using the corporate limited offering exemption format and will, therefore, be unable

to utilize the exemption. The corporate limited offering exemption is unavailable for the following types of offerings:

(a) "Blind pools" or other offerings for which the specific business to be engaged in or property to be acquired cannot be specified;

(b) Offerings involving petroleum exploration or production, mining, or other extractive industries; and

(c) Theatrical productions.

(2) The administrator finds that CLOE is generally unsuitable for the following issuers and programs and that, therefore, such offerings will not be allowed to use the CLOE unless written permission is obtained from the administrator based upon a showing that adequate disclosure can be made to investors using the CLOE format:

(a) Holding companies, companies whose principal purpose is owning stock in, or supervising the management of, other companies;

(b) Portfolio companies, such as real estate investment trusts as defined in Section (1)(q) of the North American Securities Administrators Association's Statement of Policy regarding real estate investment trusts as adopted by the administrator in WAC 460-16A-205 (1)(e);

(c) Issuers with complex capital structures;

(d) Commodity pools;

(e) Equipment leasing programs; and

(f) Real estate programs.

(3) Only corporations may use the corporate limited offering exemption. The corporate limited offering exemption may be used by an issuer more than once provided that the aggregate amount raised by all offerings by the issuer and its affiliates under the corporate limited offering exemption shall not exceed \$500,000. (The foregoing notwithstanding, offerings by affiliates of the issuer under the corporate limited offering exemption with respect to business ventures unrelated to that of the issuer occurring twenty-four months prior to or twenty-four months after the offering of the issuer under consideration shall not be included in calculating the \$500,000 limitation as to the issuer.)

(4) The corporate limited offering exemption may be used only for the offer and sale of common stock, preferred stock as provided in WAC 460-46A-071, or debt securities as provided in WAC 460-46A-061 and 460-46A-065.

(5) The corporate limited offering exemption is not available if the issuer or its affiliates have previously sold securities of such issuer or affiliate under the provisions of RCW 21.20.210 (registration by qualification) or RCW 21.20.180 (registration by coordination) or of similar provisions of the securities or blue sky laws of any other state.

(6) The total amount of funds raised by the issuer and its affiliates under all exemptions, including the corporate limited offering exemption, but excepting the statutory nonpublic offering exemption of RCW 21.20.320(1), may not exceed \$500,000 in any 12-month period during which the corporate limited offering exemption is used.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-020, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450, 21.20.320 (1), (9) and (17) and 21.20.340(11). 90-09-059, § 460-46A-020, filed 4/17/90, effective 5/18/90. Statutory Authority: RCW 21.20.320(9) and 21.20.450. 86-18-012 (Order SDO-114-86), § 460-46A-020, filed 8/22/86; 83-15-025 (Order SDO-95-83), § 460-46A-020, filed 7/15/83; 82-20-068 (Order SDO-116-82), § 460-46A-020, filed 10/5/82.]

WAC 460-46A-040 Maximum number of purchasers under exemption. The maximum number of purchasers under the corporate limited offering exemption in any consecutive twelve months shall be fifty. Husband and wife shall be counted as one purchaser, as shall an estate. Each shareholder of a corporation and each beneficiary of a trust shall be counted separately as a purchaser in addition to the corporation or trust unless the shareholder or beneficiary has been such for at least six months prior to the purchase.

Note: Notwithstanding the amendment of this section, the change in the number of purchasers from 25 to 40 on August 20, 1987, was retroactive from August 20, 1987, to August 15, 1983.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-040, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450, 21.20.320 (1), (9) and (17) and 21.20.340(11). 90-09-059, § 460-46A-040, filed 4/17/90, effective 5/18/90. Statutory Authority: RCW 21.20.320(9) and 21.20.450. 87-15-084 (Order SDO-80-87), § 460-46A-040, filed 7/20/87; 82-20-068 (Order SDO-116-82), § 460-46A-040, filed 10/5/82.]

WAC 460-46A-050 Promotional shares. The promotional shares rules set forth in WAC 460-16A-101, 460-16A-102, 460-16A-104 through 460-16A-106, 460-16A-109, and 460-16A-110 shall apply except that promotional shares need be escrowed pursuant to WAC 460-16A-104 only to the extent that such shares exceed sixty percent of the shares to be outstanding upon the completion of the offering.

[Statutory Authority: RCW 21.20.320(9) and 21.20.450. 91-04-011, § 460-46A-050, filed 1/25/91, effective 2/25/91; 89-07-042 (Order SDO-035-89), § 460-46A-050, filed 3/13/89; 82-20-068 (Order SDO-116-82), § 460-46A-050, filed 10/5/82.]

WAC 460-46A-055 Voting rights of common stock. Common stock and similar equity securities offered under the corporate limited offering exemption should normally carry equal voting rights on all matters where such vote is permitted by applicable law.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-055, filed 1/25/91, effective 2/25/91.]

WAC 460-46A-061 Availability of corporate limited offering exemption for debt offerings--Debt service requirements. (1) The corporate limited offering exemption may be used for the offer and sale of debt securities if the issuer shows, based upon the results of its operations for its most recently ended fiscal year and for its latest interim period as reflected in its financial statements, a pro forma ratio of earnings to fixed charges of 1 to 1 or greater.

(2) For the purpose of this section:

(a) "Earnings" shall mean pretax income from continuing operations plus fixed charges as defined in (b) of

this subsection, adjusted to exclude any interest capitalized during the period;

(b) "Fixed charges" shall mean the total of (i) interest, whether expensed or capitalized, (ii) amortization of debt expense and discount or premium relating to indebtedness, whether expensed or capitalized, and (iii) such portion of rental expense as can be demonstrated to be representative of the interest factor in the particular case;

(c) Pro forma earnings to fixed charges ratios shall be calculated by adjusting the corresponding historical ratio to give effect to the net increase or decrease in interest expense resulting from (i) the proposed issuance of new debt and (ii) the corresponding retirements of any debt presently outstanding (but only for the period of time outstanding) which will be retired with the proceeds from the proposed offering. If only a portion of the proceeds will be used to retire presently outstanding debt, only a related portion of the interest should be used in the pro forma adjustment.

(d) An issuer may elect to use the definitions of "earnings," "fixed charges," and the method for determining the ratio of earnings to fixed charges set forth in Item 503 of Securities and Exchange Commission Regulation S-K to determine whether that issuer meets the requirement of subsection (1) of this section.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-061, filed 1/25/91, effective 2/25/91.]

WAC 460-46A-065 Availability of corporate limited offering exemption for debt offerings not meeting the debt service requirements of WAC 460-46A-060. If the issuer cannot show a pro forma debt service ratio meeting the requirements of WAC 460-46A-061(1) it may nevertheless use the corporate limited offering exemption for the sale of debt securities under the following conditions or as otherwise permitted by the securities administrator:

(1) The issuer sells only to persons who are, or the issuer reasonably believes to be, accredited investors as defined in WAC 460-44A-501(1); or

(2)(a)(i) The issuer sells only to persons who the issuer reasonably believes meet the following conditions (A) the person's purchase of securities in the offering represents no more than 10% of the person's individual or joint net worth (exclusive of home, furnishings, and automobiles), and either (B) the person has, individually or jointly with the person's spouse, annual income for the year of purchase of at least \$50,000 or (C) the person has, individually or jointly with the person's spouse, net worth (exclusive of home, furnishings, and automobiles) of at least \$100,000; and

(ii) The disclosure document for the offering prominently discloses (A) that the issuer's earnings are inadequate to cover its fixed charges, (B) the dollar amount of the deficiency, (C) that the securities offered do not meet the Washington securities division's debt service requirements for debt securities to be sold under the corporate limited offering exemption, and (D) that the securities offered therein represent a high risk that purchasers may lose their entire investments; and

(b)(i) The debt securities offered are, to the satisfaction of the securities administrator, secured in a security arrangement by tangible assets, as determined according to generally accepted accounting principles (GAAP) with a book value or appraised value, as of the date the corporate limited offering exemption filing for the offering is declared effective by the securities administrator, of at least 150% of the aggregate principal amount of the debt securities offered; or

(ii) The debt securities offered are guaranteed, to the satisfaction of the securities administrator and the guarantor meets the pro forma debt service requirements of WAC 460-46A-061(1); or

(iii) The issuer has net tangible book value, as determined according to GAAP, as of the date the corporate limited offering exemption filing for the offering is declared effective by the securities administrator of at least twice the aggregate principal amount of the debt securities offered; and

(c) The issuer agrees that no distributions (including dividends) shall be made to shareholders with respect to capital stock and that compensation to officers and directors of the issuer shall not increase during any period in which the debt securities offered are outstanding and any payments on those securities are in arrears.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-065, filed 1/25/91, effective 2/25/91.]

WAC 460-46A-071 Availability of corporate limited offering exemption for offerings of preferred stock. The corporate limited offering exemption may be used for the offer and sale of preferred stock only under the following conditions, unless otherwise permitted by the administrator:

(1) The preferred stock is offered only to accredited investors as defined in WAC 460-44A-501(1); or

(2)(a) The issuer meets the debt service requirements of WAC 460-46A-061(1) when any fixed or projected dividends on the preferred stock being issued are treated as fixed charges for the purpose of the pro forma debt service calculation; and

(b)(i) The shares offered have voting rights equal to the maximum per share voting rights held by any outstanding class of the issuer's common stock (in the case of shares convertible into common stock, equal to the aggregate voting rights of the shares of common stock into which each preferred share is convertible); or

(ii) The articles of incorporation of the issuer provide that the holders of the preferred shares to be offered have the right to reasonable representation on the board of directors for any fiscal year following a fiscal year in which those shareholders have not been paid a dividend to the extent of their fixed or projected dividend payment; and

(c)(i) The shares offered participate at least equally with common shares as to dividends and liquidation; or

(ii) The articles of incorporation contain the following protective provisions: (A) A provision that the dividends on such shares are cumulative, (B) a provision prohibiting any dividends on common stock during the existence

of any arrears on the preferred shares, and (C) an appropriate requirement for the approval by the vote or written consent of two-thirds of the preferred shares of any sale of substantially all of the issuer's assets or any adverse change in the rights of such shares or of the issuance of any shares having priority over such preferred shares; or

(3)(a) The preferred stock offered and sold (i) participates at least equally with common stock as to dividends and liquidation; and (ii) has per share voting rights equal to the maximum per share voting rights held by any outstanding class of the issuer's common stock (in the case of shares convertible into common stock, equal to the aggregate voting rights of the shares of common stock into which each preferred share is convertible); and

(b) The disclosure document prominently discloses (i) that the issuer's current operations do not produce earnings adequate to pay dividends projected or required to be paid to the holders of preferred stock, and there is no assurance that the issuer will ever have earnings adequate to pay such dividends, (ii) the dollar amount by which the issuer's earnings are inadequate to pay such dividends, and (iii) that the securities offered therein represent a high risk that purchasers may lose their investments.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-071, filed 1/25/91, effective 2/25/91.]

WAC 460-46A-072 Prohibited practices with regard to preferred stock. An issuer may not, without the permission of the administrator:

(1) Refer (in its disclosure document or otherwise) to stock issued pursuant to the corporate limited offering exemption as preferred stock unless the stock has preference over all outstanding classes of stock of the issuer as to both liquidation and dividends, nor may the issuer refer to the stock as having a specified dividend payment, e.g., as being "(specified) percentage preferred stock," unless the dividends on the stock are cumulative; or

(2) Offer preferred stock pursuant to the corporate limited offering exemption which provides for mandatory repurchase at the option of the purchaser or in accordance to a fixed schedule.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-072, filed 1/25/91, effective 2/25/91.]

WAC 460-46A-095 Price of shares. All shares sold pursuant to the corporate limited offering exemption must be sold for cash and must be offered and sold at the same price. Where good cause is shown the administrator may, in writing, waive the provisions of this section.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-095, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450, 21.20.320 (1), (9) and (17) and 21.20.340(11). 90-09-059, § 460-46A-095, filed 4/17/90, effective 5/18/90. Statutory Authority: RCW 21.20.320(9) and 21.20.450. 89-07-042 (Order SDO-035-89), § 460-46A-095, filed 3/13/89; 83-15-025 (Order SDO-95-83), § 460-46A-095, filed 7/15/83; 82-20-068 (Order SDO-116-82), § 460-46A-095, filed 10/5/82.]

WAC 460-46A-110 Monies to be deposited in escrow account—Period of escrow and of offering. The issuer must establish a separate escrow account with a bank acting as escrow agent for all funds received for sales of securities under the corporate limited offering exemption until at least the minimum amount has been raised. When the minimum is raised, the issuer shall have the escrow agent so notify the securities administrator. If the minimum amount is not raised within twelve months of the date of effectiveness of the offering, then all funds, including any interest thereon, shall be promptly returned to the investors. In any event, the offering period may not exceed twelve months from the date of effectiveness of the offering.

[Statutory Authority: RCW 21.20.450 and 21.20.320(9). 91-04-011, § 460-46A-110, filed 1/25/91, effective 2/25/91. Statutory Authority: RCW 21.20.450, 21.20.320 (1), (9) and (17) and 21.20.340(11). 90-09-059, § 460-46A-110, filed 4/17/90, effective 5/18/90. Statutory Authority: RCW 21.20.320(9) and 21.20.450. 89-07-042 (Order SDO-035-89), § 460-46A-110, filed 3/13/89; 82-20-068 (Order SDO-116-82), § 460-46A-110, filed 10/5/82.]

Chapter 460-80 WAC FRANCHISE REGISTRATION

WAC

460-80-108	Exemption for offer and sale to accredited investors pursuant to RCW 19.100.030(5).
460-80-125	Franchise registration application instructions.
460-80-315	Washington uniform franchise offering circular.

WAC 460-80-108 Exemption for offer and sale to accredited investors pursuant to RCW 19.100.030(5). For the purpose of the exemption of RCW 19.100.030(5), an "accredited investor" shall mean any person who comes within any of the following categories, or who the franchisor reasonably believes comes within any of the following categories, at the time of the sale of the franchise to that person:

(1) Any bank as defined in section 3 (a)(2) of the Securities Act of 1933, or any savings and loan association or other institution as defined in section 3 (a)(5)(A) of the Securities Act of 1933 whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Securities Act of 1933; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2 (a)(48) of that act; any small business investment company licensed by the U.S. Small Business Administration under section 301 (c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank,

savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202 (a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501 (c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the franchise offered, with total assets in excess of \$5,000,000;

(4) Any director, executive officer, or general partner of the franchisor of the franchises being offered or sold, or any director, executive officer, or general partner of a general partner of that franchisor;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the franchise offered, whose purchase is directed by a sophisticated person as described in 17 CFR Sec. 230.506 (b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.

[Statutory Authority: RCW 19.100.250. 92-02-054, § 460-80-108, filed 12/30/91, effective 1/30/92.]

WAC 460-80-125 Franchise registration application instructions. The following must be adhered to with respect to all applications for registration, registration renewal or registration amendment:

(1) Completion of application. An application for registration of the offer or sale of franchises shall include the following, all of which shall be verified by means of the prescribed signature page:

- (a) Facing page;
- (b) Supplemental information page(s);
- (c) Salesmen disclosure form;
- (d) A copy of the proposed offering circular.

(2) The following shall be attached to the application:

- (a) A second copy of the proposed offering circular;
- (b) A cross-reference sheet showing the location in the franchise agreement of the information required to be included in the application and in the offering circular. If any item calling for information is inapplicable or the answer thereto is in the negative and is omitted, a statement to that effect shall be made in the cross-reference sheet;

(c) A consent to service of process;

(d) Two copies of any advertising to be used in connection with the offer or sale in this state of franchises.

(3) Definitions:

(a) "Predecessor," for the purposes of the disclosure required by item 1 in the body of the offering circular, is defined as follows: A "predecessor" of a franchisor is (i) a person the major portion of whose assets have been acquired directly or indirectly by the franchisor, or (ii) a person from whom the franchisor acquired directly or indirectly the major portion of its assets;

(b) "Franchise broker," for the purposes of the disclosure required by the cover page and item 2 in the body of the offering circular, is defined as follows: A "franchise broker" is any person engaged in the business of representing a franchisor or subfranchisor in offering for sale or selling a franchise, except anyone whose identity and business experience is otherwise required to be disclosed at item 2 in the body of the offering circular.

(4) Disclosure: Each disclosure item should be either positively or negatively commented upon by use of a statement which fully incorporates the information required by the item.

(5) Subfranchisors: When the person filing the application for registration is a subfranchisor, the application shall also include the same information concerning the subfranchisor as is required from the franchisor; the franchisor, as well as the subfranchisor, shall execute a signature page.

(6) Signing of application: The application shall be signed by an officer or general partner of the applicant; however, it may be signed by another person holding a power of attorney for such purposes from the applicant. If signed on behalf of the applicant pursuant to such power of attorney, the application shall include as an additional exhibit a copy of said power of attorney or a copy of the corporate resolution authorizing the attorney to act.

(7) Manually signed consent of accountant: All applications shall be accompanied by a manually signed consent of the independent public accountants for the use of their audited financial statements as such statements appear in the offering circular.

(8) Application to amend the registration: An amendment to an application filed either before or after the effective date of registration shall contain only the information being amended identified by item number and shall be verified by means of the prescribed signature page. Each amendment shall be accompanied by a facing page in the form prescribed on which the applicant shall indicate the filing is an amendment and the number of the amendment, if more than one.

(9) Underscoring of changes: If the registration renewal statement or any amendment to an application for registration alters the text of the offering circular, or of any item, or other document previously filed as a part of the application for registration, the changes in such text shall be indicated by means of underscoring or in some other appropriate manner.

[Statutory Authority: RCW 19.100.250. 92-02-054, § 460-80-125, filed 12/30/91, effective 1/30/92; 80-04-036 (Order SDO-38-80), § 460-80-125, filed 3/19/80.]

[1991 WAC Supp.—page 2740]

WAC 460-80-315 Washington uniform franchise offering circular. To implement the disclosure requirements of RCW 19.100.030 (4)(a) and 19.100.040, the director adopts the Uniform Franchise Offering Circular (UFOC) as amended by the North American Securities Administrators Association (NASAA) on October 9, 1988.

[Statutory Authority: RCW 19.100.250. 92-02-054, § 460-80-315, filed 12/30/91, effective 1/30/92; 88-01-060 (Order SDO 112B-87), § 460-80-315, filed 12/17/87. Statutory Authority: RCW 19.100.040 (4), (7), and (20), and 19.100.250. 80-04-036 (Order SDO-38-80), § 460-80-315, filed 3/19/80.]

Chapter 460-82 WAC BROKER

WAC

460-82-200 Franchise broker record requirements.

WAC 460-82-200 Franchise broker record requirements. Every franchise broker shall make and keep current the following books and records relating to his business:

(1) Records of original entry containing the sale of franchise, to whom sold, the aggregate price, the amount paid down, the installment payments, if any, the commission paid to the broker, the amount dispersed for advertising and other amounts to be funded to the franchisor.

(2) An individual registration card for each franchisee, his name and address, aggregate amount to be paid, terms of the payment, a copy of the receipt signed by the purchaser that he had received a copy of the offering circular and that it had been received ten business days before the sale.

(3) Every franchise broker shall keep a copy of all advertising used in the sale of said franchise, including but not limited to the radio, newspaper, T.V. media, letters, brochures, etc.

(4) Every franchise broker shall preserve for a period of not less than six years from the closing of any franchise account, all records, books and memorandums that relate to the franchisee.

[Statutory Authority: RCW 19.100.250. 92-02-054, § 460-82-200, filed 12/30/91, effective 1/30/92; Order 11, § 460-82-200, filed 3/3/72.]

Title 463 WAC

ENERGY FACILITY SITE EVALUATION COUNCIL

(Formerly: Thermal Power Plant Evaluation Council)

Chapters

463-06 General—Organization—Public records.
463-10 Definitions.
463-14 Policy and interpretation.
463-18 Procedure—Regular and special council meetings.